2 49 D (1944) Department

MS

1.4.44

MS. SERIES.

G.O. No. 916

Dated 29-8-1944

[Despatch Abstract.]

ectricity - Udipi Electric licence.
Re ordered with remarks

SASTRI & SHAH
INCORPORATED ACCOUNTANTS
REGISTERED ACCOUNTANTS.

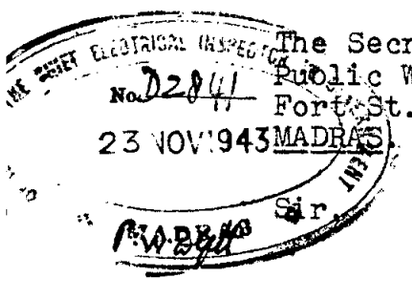
C. S. SASTRI, B.A. (Hons.), F.S.A.A., R.A.

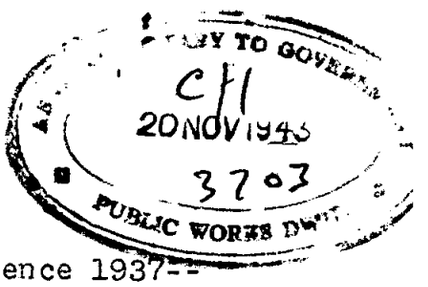
TELEGRAMS: "INCORPACT," MADRAS.

TELEPHONE: 3031.

ORIENTAL BUILDINGS,
ARMENIAN STREET,
MADRAS

16th November 1943.





The Secretary to the Government,
Public Works Department,
Fort St. George,

Sir,

Re: The Udipi Electric Licence 1937--
The Udipi Electric Supply Corporation Ltd.--Accounts for the year ended 31st March 1943.

We have examined and certified the Accounts of the above Licencee under the Electricity Act, which have been forwarded to you by the Company. We beg to report thereon as under:

1. No items of revenue expenditure such as postage, telegrams, etc. have been capitalised during the year.

2. The Licencee received during the year Rs.505/- towards Ordinary Share Capital and Rs.8,505/- towards a new issue of 3% Preference Shares. Debentures to the extent of Rs.4,000/- were redeemed during the year. The excess of Capital Expenditure over Receipts to the extent of Rs.8,837--8--1 is met by the following two unsecured loans as exhibited in Account VIII--General Balance Sheet.

i. K.V.Subbarao (Director) --	Rs.12,934--9--6	interest free.
ii. V.Raghava Rao	2,000--0--0	6%

3. Interest on 6% Mortgage Debentures Rs.4,174/- has been capitalised to Plant & Machinery as the Company contends that the debentures were raised for the purpose of Original Works i.e. Purchase of Plant.

4. The Engineers' salaries have been allocated to Generation, Distribution and Management in the ratio of 30:30:40 respectively.

5. No depreciation has been charged on the Fixed Assets. An amount of Rs.3,000/- has been appropriated from Net Revenue balance of 1941/42 to Depreciation Fund, which in our opinion is not adequate.

6. No part of Consumers' Security Deposits and Depreciation Fund has been invested in Trustee Securities.

7. Supervision charges to Consumers do not exceed 15% on the cost as allowed by Government Rules.

8. We are enclosing herewith our bill (in triplicate) for Professional Services rendered to the Company on behalf of the Government.

Yours faithfully,

Sastri & Shah.

Encl:
S/SS.

TELEGRAMS: "INCORPACT." TELEPHONE: 3031.

SASTRI & SHAH.

INCORPORATED ACCOUNTANTS,
REGISTERED ACCOUNTANTS,
ORIENTAL BUILDINGS,
ARMENIAN STREET, MADRAS.

3

No. A 441 16th November 1943.

The Udipi Electric Supply Corporation Ltd., through:
The Secretary to the Government,
Public Works Department, Chepauk. Dr.

	Rs. a. p.	Rs. a. p.
For auditing the accounts of the Company on behalf of the Government for the year ended 31st March 1943:		
4 hours for Principal @ Rs.15/- per hour.	60 -- --	
8 " for an assistant Rs.5/- per hour.	40 -- --	
	---	100 -- --
(Rupees one hundred only)		100 -- --

E. & O. E.

Sastri & Shah

THE UDIPI ELECTRIC SUP

No. III

FOR THE YEAR E

DR.

	Expenditure up to end of Previous year.	Expenditure during the year.	Total E diture 31st Marc
	Rs. a. p.	Rs. a. p.	Rs.
To Preliminary Expenses.	6,320 8 6	--	6,320
" Buildings.	21,109 1 7	---	21,109
" Plant & Machinery.	1,18,573 4 1	7,247 6 10	1,25,820 1
" Mains	90,786 3 2	8 8 3	90,794 1
" Service Connections.	6,328 5 4	152 6 3	*6,480 1
" Transformers.	3,095 - -	---	3,095
" Meters and fees for certifying under the Act.	5,192 2 2	556 4 -	5,748
" Special items.			
Capital issue Expenses.	---	682 8 3	682
Debenture issue Expenses.	1,656 1 3	---	1,656
Brokerage & Commission on Shares.	1,827 8 -	100 8 -	1,928
Public Lamps Fittings.	2,083 9 4	---	2,083
Furniture & Fittings.	1,569 14 6	4 - -	*1,573 1
Library.	200 10 -	39 - -	239 1
Motor Car & Cycles.	937 - -	---	937
Tools & Instruments.	1,342 - 11	72 2 10	1,414
	2,61,021 4 10	8,862 12 5	2,69,884

*Less

Net proceeds on Sale of Machinery and Commission received.	51,766 1 6	
Retrivals on Disconnections of Service Connections.	337 7 8	
Cost of articles in Furniture account sold.	58 -	
		52,161 9
		2,17,722 8

FOR THE MECHELEC ENGINEERING CO, LTD.

D. V. Ramelkar

Engineer-in-Charge

Managing Agents

CORPORATION LIMITED, MADRAS.

PITAL ACCOUNT

G 31st MARCH, 1943.

" - 43	Receipts up to end of Previous year.	Received during the year.	Total Receipts.
	Rs. a. p.	Rs. a. p.	Rs. a. p.
6 By Ordinary Shares of Rs. 10/- each.	83,725 - -	505 - -	84,230 - -
7 " 6½% Tax Free Cumulative Preference Shares of Rs. 10/- each.	59,925 - -	---	
1 5 3% Preference Shares of Rs. 10/- each.	-	8,505 - -	8.505 - -
- " Debenture	60,000 - -	Less 4,000 - -	56,000 - -
" Mortgage and Bonds.	---		---
" Amount received in anticipation of Calls	--		---
" Other Receipts: Share application Deposits.	---	225 - -	225 - -
	2,03,650 - -	5,235 - -	2,08,885 - -
" Balance of Capital Account.			8,837 8 1

THE UDIPI ELECT

THE UDIPI ELECTRIC SUPPLY

FOR THE YEAR END

No. I. STATEMENT OF SHARE CAPITAL APPROPRIATED FOR THE PURPOSE OF TH

Description of Capital.	Authorised by	Number of Shares Issued.	Nominal amount of Share.
Ordinary Shares.	Memorandum and Articles of Association.	10,000	Rs. 10/-
6½% (Tax Free) Cumulative Preference Shares.		6,000	" 10/-
3% Preference Shares of Rs.10/- each		8,000	" 10/-
			Less
			Tota

No. II. STATEMENT OF LOAN CAPITAL APPI
AUTHORISED BY THE ABOVE-MENTIC

Description of Loan.	Amounts Borrowed.	
Mortgage Debentures.	Rs. 56,000	6%

FOR THE MEC... CO, LTD.

D. F. Camacho

E. Mac... Ltd. Managing Agents.

SASTRI & SHAH
INCORPORATED ACCOUNTANTS
REGISTERED ACCOUNTANTS
MADRAS

C LICENCE 1937.

RPORATION LIMITED, MADRAS.

31st MARCH 1943.

NDERTAKING AUTHORISED BY THE ABOVE MENTIONED LICENCE AT THE END OF THE YEAR.

Called up per Share.	Total paid up.	Issued but not paid up	Remaining unissued.	Total amount authorised.
Rs. 10/-	Rs.85,130	Rs.14,870	Rs. 20,000	Rs.1,20,000
" 10/-	" 60,000	Nil.	Nil.	" 60,000
" 10/-	" 9,880	" 70,120	" 40,000	" 1,20,000
	1,55,010	84,990	60,000	3,00,000
n arrears.	2,350			
Paid up.	1,52,660			

TED FOR THE PURPOSES OF THE UNDERTAKING
ICENCE AT THE END OF THE YEAR.

maining Borrowing Powers.	Total amount of Borrowing Powers.
Nil.	Debentures for Rs.60,000 less redeemed during the year Rs.4,000

Total Share Capital Paid up See No. I.	Rs.	1,52,660
" Loan Capital Received See No.II.		56,000
Total Capital Received	Rs.	2,08,660

THE UDIPI ELECTRIC SUPPLY C

FORM IV. REVE

FOR THE YEAR ENDIN

DR.

	Rs. a. p.	Rs. a. p.
A. GENERATION.		
To Fuel Oil	8,182 12 -	
" Lubricating Oil	1,749 14 3	
" Engine Room stores.	187 1 3	
" Proportion of Salaries of Engineers, Superintendents and officers.	315 -	
" Wages and gratuities being salaries of Power House Staff etc.	2,365 5 4	
" Repairs & Maintenance as follows:		
Buildings.	122 9 2	
Plant.	788 10 3	
Special items.	---	
	----------	14,711 5 3
B. DISTRIBUTION.		
To Proportion of Salaries of Engineers, Superintendents and Officers.	315 - -	
" Wages and gratuities being Salaries of Power House staff.	1,753 6 2	
" Repairs, Maintenance and renewals of mains.	344 - -	
" Repairs, Maintenance and renewals of transformers.	-- 15 10	
" Repairs, Maintenance and renewals of meters, switches, cut outs and other apparatus on consumers' premises	---	
" Special items.		
Maintenance of House Service Connections.	38 - 4	
" of tools.	1 15 6	
" of Bazaar Lights.	43 - -	
" of Vehicles.	22 3 6	
	----------	2,520 9
C. PUBLIC LAMPS.		
To Attendance and repairs.	571 9 11	
" Renewals etc.	---	
	----------	571 9 1
D. RENTS, RATES & TAXES.		
To Rents payable.	1,125 10 9	
" Rates and Taxes.	590 11 4	
	----------	1,716 6
E. MANAGEMENT EXPENSES.		
To Directors Remuneration including travelling charges.		229 5
" Management. (including the Managing Agents Allowance Rs.4000)		7,810 15
" General establishment charges.		2,722 6 1
" Auditors of the Company.		300 -
" Auditors appointed under the Provisions of the Act.		100 -
F. Law Charges.		
To Law Charges.		

Carried forward.

RPORATION LIMITED, MADRAS.

UE ACCOUNT

31st MARCH 1943.

SASTRI & SHAH
INCORPORATED ACCOUNTANTS
REGISTERED ACCOUNTANTS
MADRAS

CR.

	Rs. a. p.	Rs. a. p.
By Sale of energy for lighting purposes.		20,774 3 11
" Sale of energy for power purposes.		2,187 11 7
" Sale of energy under special contracts.		4,130 4 3
" Public Lighting (including maintenance)		3,404 15 -
" Rental of meters and Street Light Fittings.		2,687 5 -
" Rents Receivable.		---
" Transfer fees.		6 - -
" Service connections.		429 10 1
" Miscellaneous Receipts from consumers.		332 1 10
" Other items Profit on sale of stores materials.		645 6 -

Carried forward.

FOR THE ELECTRIC SUPPLY CORPORATION LTD.
FOR THE ELECTRIC SUPPLY CO, LTD.
D. I. Ramadoo
Managing Agents.

THE ODIFI ELECTRIC S

No. IV REVENUE ACCOUNT F

DR.

	Rs. a. p.	Rs. a. p.
Brought forward		30,683 9 9
G. DEPRECIATION.		
To Depreciation in respect of Lease hold works.		---
" Depreciation in respect of buildings		---
" " on Plant		---
" " on Mains		---
" " on Transformers etc.		---
" " on Meters.		---
" " on General stores.		---
" " in respect of other items.		---
H. SPECIAL CHARGES.		
To Special items:		
Rebate on bills to Consumers	453 9 -	
Remuneration to Debenture Trustee	192 6 -	
Service Connections.	373 9 4	
	---	1,019 8 4
Total Expenditure.		31,703 2 1
Balance carried to Net Revenue.account		2,894 7 7
		34,597 9 8

DR.

No. V. NET

	Rs. a. p.	Rs. a. p
To Interest on Debentures accrued due to date.		
Less Capitalised to Plant & Machinery.	4,174 - -	
	4,174 - -	
	---	---
" Interest on Mortgages and Bonds accrued due to date.		---
" Interest on Temporary Loans accrued due to date.		---
" Interest on Bank overdraft and Security deposit.		---
Dividends 1941-42.		925 9 8
To Transfer to Depreciation Fund.		3,890 5 -
" Income-tax paid		3,000 - -
" Balance carried forward.		4 192 9 -
		12,008 7 8

DR.

No. VI. RES

FOR THE MECHELEC ENGINEERING CO, LTD.

FOR THE MECHELEC ENGINEERING CO, LTD.

D. V. Ramachandra

Engineer-In-Charge. Managing Agents.

Y DISTRIBUTION LIMITED, MADRAS.

IE YEAR ENDING 31st MARCH 1943 (Cont

	4,597 9 8

VENUE ACCOUNT. CR.

	Rs. a. p.	Rs. a. p.
By Balance brought from last account.		9,114 - 1
" Amount Brought from Revenue Account.		2.894 7 7
" Interest on amount invested.		
		12,008 7 8

E FUND ACCOUNT.

1.

THE UDIPI ELECTRIC SUPPL

No. VII DEPRECI

DR.

	Rs. a. p.
To Balance.	3,000 - -
	3,000 - -

No. VIII. GE

	Rs. a. p.	Rs. a. p.
LIABILITIES.		
To Capital account: amount received as per Account No. III		2,08,885 - -
" Sundry Creditors due on construction of Plant and Machinery, Fuel, Stores etc.		1,960 15 1
" Sundry Creditors on open accounts.		29 025 9 8
" Net Revenue account, Balance at credit thereof.		4,192 9 -
" Reserve Fund account Balance at credit thereof.		
" Depreciation Fund account.		3,000 - -
" Special items: unclaimed Dividends.		522 8 9
		2,47,587 10 6

Madras,

MANAGING A

SASTRI & SHAH
INCORPORATED ACCOUNTANTS
REGISTERED ACCOUNTANTS
MADRAS

:ORPORATION LIMITED, MADRAS.

ON FUND ACCOUNT.

	Cr. Rs. a. p.
By Balance from last account.	
" Interest on investments.	
" Amount brought from Net Revenue Account (See No.V.)	3,
	3,000 - -

L BALANCE SHEET.

	Rs. a. p.	Rs. a. p.
ASSETS.		
y Capital Account: amount expended for as per Account No. III.		2,17,722 8 1
" Stores on hand.		17,826 12 5
" Sundry Debtors.		6,699 3 5
" Securities as held (cost price)		
" Special items: Prepaid Expenses and Advances.		472 10 3
" Cash at Bankers.		4,700 14 4
" Cash on hand and at Branches.		165 10 -
		2,47,587 10 6

FOR THE UNITED ELECTRIC SUPPLY CORPORATION LTD.
FOR THE MECHELEC ENGINEERING CO, LTD.

D. V. Ramachandra
Engineer-in-Charge. Managing Agents.

Sastri & Shah

INCORPORATED ACCOUNTANTS,
REGISTERED ACCOUNTANTS.
AUDITORS. 15/11/1923

THE UDIPI ELECTRIC SUPPL

NO.IX STATEMENT OF ENERGY GENERATED, SOL

Total energy Generated in Kilowatt Hours.	Kilowatt Hours sold.					Kilowatt hours not accounted for.
	Public Lamps.	By Special Contract	Consumers by meters for Lighting purposes.	Consumers by meters for Power purposes.	Total.	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
,50,463	11,292	30,807	55,144	15,676	1,12,919	11,620

ɛ∪RATION LIMITED.

ɔC. DURING THE YEAR 1942-43

ɔwatt ɔurs l on vorks.	Total Kilowatt hours accounted for.	Kilowatts connected for Public lamps.	Total consumers connected.	Total Kilowatts connected.	Plant Kilowatts connected.	Maximum Supply demanded on Kilowatts.
(8)	(9)	(10)	(11)	(12)	(13)	(14)
,924	1,38,843	8.68 at Udipi No public Lights at Karkala.	549	UDIPI 320.248 KARKAL 34.33	147 K.W. at Udipi. & 15 K.W at KARKALA.	80 K.W. at Udipi and 13 K.W. at Karkala.

FOR THE UDIPI ELECTRIC SUPPLY CORPORATION LIMITED.
FOR THE MECHELEC ENGINEERING CO, LTD.

D. J. Ramello

Engineer-in-Charge. Managing Agents.

Sub: Accounts - Udipi Electric Licence - accounts for 1942-43 - Resubmitted with remarks.

Ref: Government U.O.No.3703 C/43-1 dated 22-11-43 and reminder dated 26-9-44.

--:--

The accounts of the Udipi Electrical Undertaking for 1942-43 have been scrutinized and the following remarks are submitted.

The accounts under review relate to the 4th year of operation.

The important features of working are as extracted below:--

		1942-43.	1941-42.
[illegible] cost per unit generated.	...	3.75 annas.	2.82 ann
[illegible] cost per unit sold.	...	5.00 annas.	3.78 ann
[illegible]al expenditure against revenue.	...	Rs. 35,255	Rs. 27,70
[illegible]nue from electric supply.	...	Rs. 29,789	Rs. 30,25
[illegible]al revenue from working.	...	Rs. 34,224	Rs. 33,18
[illegible]ss profit.	...	Rs. 2,894	Rs. 7,40
[illegible] profit from General Balance Sheet.	...	Rs. 4,193	Rs. 9,11
[illegible]pital expenditure to end of.	...	Rs.2,17,283	Rs.2,61,021
Units generated.	...	1,50,463	1,67,32
Units sold.	...	1,12,919	1,17,50
Consumers.	...	540	59
[illegible]. Demand.	...	80 K.W. at Udipi. 13 K.W. at Karkal.	65 K.W. a 8 K.W. a

Paragraph 4 of G.O.No.1746 Ms., P.W.D., dated 25-9-43:--

The working costs for the year under review have inc[illegible] as compared with the previous year without correspondi[illegible] increase in the revenue from electric supply, which has, in fact, gone down a bit. The gross and net profits are also considerably less than those for the previous year. Hence, I would suggest that the question of reduction of [illegible] may be delayed for the duration of the war.

No.III - Capital Account:- The directors have decid[illegible] in their report on the accounts for 1942-43 to write off t[illegible] sum of Rs.682-8-[illegible] incurred by way of capital issue expens[illegible] This will be checked during the scrutiny of the accounts f[illegible] 1943-44 and commented upon, if necessary.

With reference to the capitalisation of Rs.4174/- representing the interest on 6% mortgage debentures - vide para 4 of the audit report - I have ascertained from the auditors that no part of the debenture amount was utilized for any capital extensions and that it was utilized for th[illegible] payment of the cost of original sets. i.e. expended on the construction of original works. The capitalisation is in accordance with paragraph 5(1) of G.O.No.1383 P.W.D. dated 4--6--1941.

The licensee has not written off any portion of the preliminary expenses, brokerage, and debenture issue expenses. The licensee may be requested to give early consideration to the write off of these intangible assets.

No.IV - Revenue Account:- The auditors have reporte[illegible] that 40% of the engineer's salary debitable to "E.Manageme[illegible] has been clubbed in the item "General Establishment charges" [illegible] licensee may be instructed to exhibit the allocated

The revenue realised from A.R.P. surcharge is reported o have been included in the revenue from the sale of energy. he licensee may be advised to show this surcharge seperately.

~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX~~ No.VIII.General Balance Sheet.

The licensee may be requested to give early consideration or the investment of at least 10% of the depreciation fund nd 25% of the consumer's security deposits in Government or rustee securities.

General:-- I endorse the remarks of the auditor in egard to the provision for depreciation. The licensee ay be advised to provided for depreciation at revised rates of ncome-tax as early as possible.

The auditor's bill for Rs.100/- for work done on behalf f Government is the same as that for the previous year. It may b ecommended for payment by the Licensee.

C.E.I.G. 6.3.44

ncl: one copy of accounts for 1942-43,
one copy of audit report,
one copy of bill and one reminder.

C.E.I.G.u.o.No.2911 D/43-4 dated 8--3--44.

The Secretary to Government,
Public Works Department u.o.
Fort Saint George, Madras.

DRAFT FOR APPROVAL.

	Date.	Initials.
When received for fair copying ..		
When copied ..		
When examined..		
When signed ..		
When despatched.		

SUBJECT :— Electricity - Indipi Electric Accounts for 1942-43 - Recorded in remarks.

READ AGAIN ....., dated ..... 19....

" " ..... " ..... 19....

READ *ALSO* :—

No. ..... From ~~the~~ Messrs Sastri & Shah, No. nil, dated 16.11.43 19 43

" ..... " ~~the~~ Cl. 84. " 2841 D/43-4 " 3.3.19 44

" ..... " ..... " ..... " ..... 19....

~~Resolution Rout.~~ Order Ms. No. ~~to~~ 914, dated 29-3- 19 44

Recorded

2) No. III capital account. The licensee has written off any portion of the preliminary expenses brokerage, and debenture issue expenses. He is to give early consideration to the write-off of the intangible assets.

3) No. IV Revenue account: The auditors have reported that 4% of gross salary debited to "E. Management" has been clubbed in the item "general establishment charges". The licensee is requested to exhibit the allocated amount of the engineer's salary as a separate item.

The revenue realised from A.R.P. surcharge reported to have been included in the revenue from the sale of energy. The receipts from the surcharge should be shown separately.

Chap. N° VIII Annual Accounts ... The licensee is requested to give early consideration to an investment of at least 10% of the depreciation fund and 25% of the accumulations representing additions to fixed assets or transfer to reserves.

5 Annual. No depreciation has been charged on the fixed assets. An amount of Rs 5000/- has been appropriated from the Net Revenue balance of 1961-62 to depreciation Fund. The auditors have remarked that this is not adequate. The Govt agree with them. The licensee is requested to provide for depreciation at the revised rate of income tax as early as possible.

6 Malis suit. In continuation of para 4 of Govt letter No. PW/F 15(6)/63 dated 3rd Oct 1963 the question of deduction of sanctioned fee for the audit of the accounts was considered by the Govt and it was decided that the fee sanctioned by the Govt to the auditors for work done on behalf of the Govt may be paid by the licensee. The licensee is requested to pay the amount to the auditors early.

Chap. II N. S. Mar
Manager
To Mines, Sacti
Incompli
biennial
Annuities
To be c.d.g